

Infrastructure Investment and Jobs Act (IIJA) Implementation

Climate Resilience and Adaptation Sub-Working Group Meeting #3

October 3, 2022 | 2:00 PM- 3:00 PM

Local Transportation Infrastructure Climate Adaptation Program

- This is the first workshop for the Local Transportation Infrastructure Climate Adaptation Project Program. Another workshop will be held on October 13 (registration can be found [here](#))

Overview- The following section of these notes contains information mostly taken from the slides, followed by the Discussion and Q&A.

- The program objective is to provide funding to local agencies for the development and implementation of transportation infrastructure projects that are intended to adapt to the changing climate
- Project Criteria- Projects must:
 - o Increase climate resiliency and protect at-risk transportation infrastructure
 - o Be consistent with state, regional, or local climate adaptation plans
 - o Include outreach to under-resourced and vulnerable communities related to the proposed project
 - o Incorporate environmental equity, protect vulnerable and under-resourced communities, and provide meaningful benefits to underserved communities
- Eligible Agencies
 - o Transportation Planning Agency
 - o County Transportation Commission
 - o Regional Transportation Agency
 - o Joint Powers Authority- must coordinate with transportation planning agency, or county transportation commission
 - o Local Transportation Authority
 - o The Santa Clara Valley Transportation Authority
 - o City, County, or a City and a County
 - o Federally recognized Native American Tribe
- Project Types:
 - o Projects must improve infrastructure to withstand one, or more elements of weather or natural disaster.
 - o Community resilience and evacuation routes- strengthen and protect evacuation routes that are essential during emergency events
 - o At-risk coastal infrastructure

- This is not an exhaustive list, there may be other types of projects if it is connected to a transportation facility and elaborate applicant addresses how the project applies to resilience.
- Prioritization Factors:
 - Degree of risk of recurring damage or failure to the asset
 - Preserving or enhancing regional or statewide mobility, economy and safety and other benefits
 - Preserving and protecting adjacent communities, the environment and other critical infrastructure
 - Degree of which the project incorporates environmental equity
 - Additional Prioritization includes projects/programs that have co-benefits including reducing GHG emissions and reducing VMT
- Project Requirements
 - Must be developed through multi-stakeholder process.
 - Must be aligned with state and local climate adaptation strategies
 - Must be consistent with California State Adaptation Strategy
 - Must be consistent with SCS

Funding:

- State General Fund one-time \$148 M must be allocated by June 2024
- PROTECT \$250 M over a 5-year period
- All phases of the projects are eligible for funding

Discussion:

- Cycles
 - Cycle 1: \$246 M of projects includes two federal fiscal year apportionments and the one-time state funding (SB 198)
 - The \$148M must be allocated by June 2024; The goal is to have a recommended list of projects to the commission at the June 2023 CTC meeting.
 - Cycle 2 (FY 2025): will be supported with federal funds unless there is future appropriation for state funding.
 - Projects will need to be allocated in FY 23-24 and 24-25
 - The funding must be utilized within 4 years.
 - Cycle 3 (FY 2026): once again funded with federal funds unless there is a state appropriation.
 - **Discussion question:** How often should funding cycles occur (once, every other year, or yearly)?
- Matching Funds
 - What kind of funds can be used on match requirement (fund source)?
 - Minimum 20%?

- Resilience Improvement Plan reduction may not be applicable for the first round depending on the development/existence of such plans.
 - CTC would like to have the same match across the board for consistency.
 - There is quite a bit of flexibility for other federal funds to be used as a match for this program. There will be more clarification about this in future workshops.
 - What are allowable costs?
 - Direct allowable costs that are directly related to project (within the phases for which it is programmed). In terms of the technical aspect of the project- the costs in the Scope of Project and programmed costs are allowable direct costs on the project.
 - There will be more discussion about allowable costs at future workshops.
- Other areas of discussion:
 - Aligning state and federal programs and following the same funding restrictions
 - Requiring all projects to be federalized
 - 50% of PROTECT funds transferrable to other FHWA programs
 - Prioritization of Construction Ready projects
 - Early Coordination with State Climate Adaptation Program
 - Early coordination on ready to go projects will be vital
 - Reporting
 - There is an annual reporting requirement due on April 1 of each year for expenditures.
 - CTC is considering certain tools.
 - Reporting on the expenditures can be captured through Caltrans reporting systems. CTC is contemplating using that same system for the project reporting for this program.
 - Project Examples:
 - Contact CTC to discuss the region/area and project ideas; CTC is open to suggestions about project types/examples.

Questions:

- **Hana Creger, Greenlining:**

Q: Is equity included as a prioritization factor? Is the 40% from Justice 40 a “floor”, or can investments exceed that requirement?

A: “Climate equity” is a prioritization factor and we are still discussing on how we set up the program to address it, using SB 198 as a guide as well. Reminder that Justice 40 is a federal goal, and the 40% is a minimum – more would be better across all IIJA funds.

Follow-up Comment: Reminder that vulnerability mapping platform is under development but there may be some early takeaways that could help inform that priority.

- **Hana Creger, Greenlining:**

Q: Given the equity requirements of the program, a known best practice is to have plenty of time and funding available for community-centered engagement – is this activity eligible for “pre-construction activity” funding?

A: No, this is a capital infrastructure program. There is \$50 million adaptation planning grant administered by Caltrans that will complement that side of it, available through the Sustainable Transportation Planning Grant Program. We hope to align the programs in the future as much as possible.

Follow-up Comment: knowing that, Greenlining’s preference may be for a later funding round so we can make sure there are community centered approaches to the planning. Subsequent cycles will be better positioned for this type of work/process. We see this program as a seed to set us up for steady revenue for resilience focused work moving forward.

- **Olivia Seideman, LCJA**

Comment: flagged that even when eligibility includes items like “alignment with local sustainable communities strategies” often times SCS still include/emphasize highway/roadway expansions as ways to mitigate GHG emissions even though we know these induce demand in the long run.

Q: Are there any ineligible activities that prohibit projects including roadway expansion from being a part of this program?

A: Reminder that the purpose of the program is for climate adaptation projects in transportation, we need to review the climate triggers (i.e. sea level rise, extreme heat). To your concern, consider evacuation routes in rural areas for wildfire – we encourage the CTC to think about how they’ll address these types in scoring. For Caltrans prioritization criteria we will point to resources on alternative approaches to handling wildfire stress in rural communities – we are making a pointed effort to not fund capacity increasing projects and it is a valid question to resilience funding. Also, the program limits how much we can use for capacity expansion.

- **Follow-up comment from Devin Middlebrook:** I would put in a plug for bike trails as an alternative route for emergency access during wildfire with the benefit of equity and emission reductions while not being used during emergency response
- **Follow-up/related from Aaron Hoyt, NCTC:** NCTC will reach out to CTC to better understand how emergency evacuation solutions in the Sierra Nevada Foothills fits in with this program

- **Paul Hernandez, East Bay Community Energy**

Q: Can these funds be used for EV Chargers?

A: If the sponsor can justify how the project relates to climate risks/an adaptation linkage, yes. We recommend reviewing the section on allowable costs in the bill to confirm.

- **Follow-up comment from Michael Harrodson, CARB:** I think one potential resilience benefit of EV chargers is that the EV batteries (and the stationary batteries in the charging station if there are any installed, perhaps along with solar panels) can provide backup power during outages caused by climate effects like wildfires and extreme heat. They can also support the electricity grid to prevent power outages when there are severe risks, again caused by climate effects. Location of the EV chargers is important too. For example, EV chargers at community centers that act as shelters during climate emergencies (such as libraries and schools and shopping malls) would effectively increase the resilience of those shelter centers.

- **Olivia Seideman, LCJA**

Comment: We generally do not advocate for shovel ready projects to be prioritized since not all communities have equitable access to pre-development funding/resources. Everyone needs a fair chance to compete for funds.

Response: The timeline and restrictions we are under include no more than 10% of PROTECT can be used for pre-construction activities, but we will continue discussing how to accommodate all communities.

- **Christine, Guest**

Q: Which agencies has CTC met with so far?

A: SCAG, SANDAG, MTC, Monterey, with plans for more outreach in the central valley and north regions. We want all eligible agencies to be able to weigh in on the guidelines. We have learned that some local agencies have adaptation plans further developed than others.

- **Michael Harrodson, CARB**

Q: How does this local program relate to IJJA? Is it funded by IJJA directly, or is it a State funded program that is complementary to an IJJA program?

A: SB 198 created this program to oversee the PROTECT program, and they added state funding to make the program bigger this FY.

- o **Follow-up Question:** Are local agencies required to apply to IJJA PROTECT through the SB198 program, or can they bypass SB198 and apply to PROTECT directly?
- o **A:** This is for state formula funding, not competitive grant funding. PROTECT/FHWA has not released any information on the competitive/discretionary grant program side of PROTECT yet.

- **Shannon, TCTC**

Comment: Does not suggest a higher local match percentage. If the goal is to help disadvantaged communities improve (resiliency) a higher match would be prohibitive to them putting in an app.

- **Minh Le**

Comment: Generally federal funds are not allowed to be used as "cost share" on another federal grant unless specifically allowed. It is amazing that IJJA allows one federal color of money be allowed to be called cost share under another. Very unusual indeed but allowed! 2 CFR § 200.306 b (5).

- **Hana Creger, Greenlining**

Q: What types of activities are included in those pre-construction funds?

A: from PROTECT formula funds guidance: "Limitation on development phase activities. In addition, a State may not use more than 10 percent of such funds for development phase activities, which include planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities). (23 U.S.C. 176 (c)(3)(E)(i)(I) and (F)(ii))."

- Guidance Development Workshop 1- October 13, 2022
- Guidance Development Workshop 2- October 25 or 27, 2022
- Draft Program Guideline Workshop- November 3, 2022
- Draft Program Guidelines presented to the Commission- December 7-8, 2022
- Adoption of Program Guidelines- January 25-26, 2023
- Call for Projects- January 25-26, 2023
- Project Nominations due- April 7, 2023
- Staff Recommendations Released- June 2023
- Program of Project Adoption- June 28-29, 2023

Next Steps

- CTC will be hosting a Guidance Development Workshop for the Local Transportation Infrastructure Climate Adaptation Project Program on October 13, 2022. [Register here](#).
- Draft STPG Adaptation Planning Grant Guidelines have not been released. They will be shared with members of the sub-working group once available
- A future Resilience and Adaptation sub-working group meeting may focus on Resilience Improvement Plans
- OPR has released the [Adaptation Planning Grant Guidelines](#) for public comment